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INVESTIGATION OF THE COSTS INVOLVED IN MOVING FORMER PRESIDENT MARCOS AND HIS PARTY FROM MANILA TO HAWAII

REPORT

OF THE

READINESS SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

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LETTER OF TRANSMITTAL

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
ARMED SERVICES READINESS SUBCOMMITTEE,
Washington, DC, May 15, 1986.

Hon. LES ASPIN,
Chairman, Committee on Armed Services, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Attached is a report of the Readiness Subcommittee entitled "Investigation of the Costs Involved in Moving Former President Marcos and His Party From Manila to Hawaii." The report is based on work performed by the professional staff and was approved by a majority vote of the subcommittee members.

I shall appreciate your early approval of the report so that it may be printed.

Sincerely,

DAN DANIEL,
Chairman, Readiness Subcommittee.

Approved for printing: Les Aspin.

CONTENTS

	Page
Summary	1
Findings and conclusions	1
Recommendations	2
Introduction	3
Evacuation of former President Marcos and his party from the palace and their movement to Hickam Air Force Base	4
Background	4
Departure from the Philippines	4
Stopover on Guam	6
The stay at Hickam Air Force Base	7
Security	7
Housing	8
Officers Club	9
Hickam Air Force Base Exchange	10
Support costs related to relocation of former President Marcos and his party	11
Conclusions and recommendations	13
Recommendations	15
Scope of investigation	15

SUMMARY

FINDINGS AND CONCLUSIONS

1. In an attempt to avoid bloodshed and to ensure a peaceful transition of power to the new government in the Philippines, President Reagan asked President Marcos to step down. He offered him, his family, and associates safety, medical care and transportation to a safe haven in the United States or wherever they wanted to go.

2. Members of the United States Armed Forces successfully evacuated former President Marcos, his family, and associates from the Presidential Palace in Manila and transported them to Guam and eventually Hickam Air Force Base in Hawaii. Brigadier General Teddy Allen, USA, the officer in charge of the evacuation and movement of the party to Hawaii, should be commended for exemplary performance in a critical situation involving rapidly moving events.

3. The cost of moving former President Marcos, his party and their five-week stay on Hickam Air Force Base was $451,000, broken down as follows:

Air lift (Military Air Command)	$183,539
Appropriated funds (Operation and Maintenance)	60,375
Nonappropriated funds (nontaxpayer funds)	206,899
Total	450,813

In addition to the out-of-pocket costs, military personnel provided security valued at $407,604. These salaries would have been paid under normal circumstances.

4. Asking President Marcos to step aside was a political rather than a military initiative. Once accepted, U.S. military forces became the vehicle for carrying out the evacuation and movement of former President Marcos and his party. The committee believes the State Department should reimburse the United States Pacific Command for $184,000 in transportation costs and $60,000 in operation and maintenance costs related to security, ground transportation, medical care and related costs.

5. Expenses totaling $207,000 were paid for the convenience and acquisition of personal items for Marcos' party. This includes nonappropriated fund expenses accumulated at exchanges, clubs and housing facilities.

President Reagan offered safety and medical care to former President Marcos, his family and associates. He did not offer housing, meals, clothing and other personal conveniences. Reasonable amounts would be acceptable in support of the former President because he was a guest of President Reagan. The expenses accumulated, however, are excessive and include $20,000 in long distance phone calls, $16,000 in meals, and $11,000 in health and beauty

aids. The subcommittee believes former President Marcos should be held responsible for expenses not covered by the President's message.

6. The Commander-in-Chief, United States Pacific Command, submitted bills totaling $771,000 to the State Department, $87,000 less than the $858,417 identified by the subcommittee. The difference is related to security ($68,000), off-base quarters ($11,000), long-distance phone calls ($6,000), and expenses incurred by Clark Air Force Base that were not submitted to the Pacific Command ($1,300). The subcommittee believes bills for these expenses should be prepared and submitted to the State Department for reimbursement.

7. The Commander-in-Chief, Pacific Command, allocated $200,000 from his Operation & Maintenance account to the Pacific Air Force for reimbursement of expenses incurred by nonappropriated fund activities, on-base activities including clubs and exchanges that basically operate without taxpayer support. Bills totaling $196,000 have been reimbursed. An additional $11,000 in expenses has been incurred but only $4,000 more is available for payment. The subcommittee believes an additional $7,000 should be made available by the Commander-in-Chief Pacific Command to reimburse these expenses.

8. Extraordinary security precautions were taken throughout the trip and at Hickam Air Force Base to protect the former President and his party. The implementation of these measures resulted in complaints from the press on Guam and employees and members of the Hickam Air Force Base Officers Club. In addition, occupants of the visiting officers quarters on Hickam Air Force Base were inconvenienced because they were required to move on a few hours' notice to other quarters on base or to commercial hotels. Although these security measures caused inconvenience and some hardship, the subcommittee believes the precautions taken were appropriate.

Recommendations

In view of the above, the subcommittee recommends that:

1. The Secretary of Defense advise the Secretary of State that the Defense Department expects reimbursement for transportation and operation and maintenance costs totaling $244,000.

2. The Secretary of Defense and the Secretary of State, working jointly, make every effort to recover from former President Marcos $207,000 in costs for personal and convenience items acquired by members of his party. The committee cannot overemphasize its desire that these funds be recovered.

3. The Commander-in-Chief, United States Pacific Command, ensure that subordinate installations and activities prepare bills supporting all expenses incurred by former President Marcos and his party, and submit these bills to the State Department, and

4. The Commander-in-Chief, United States Pacific Command, provide an additional $7,000 to the Pacific Air Force in order that nonappropriated fund activities can be reimbursed for all expenses incurred.

INTRODUCTION

On February 25, 1986, Ferdinand E. Marcos left the Philippines, thereby ending his 20-year rule as President of that country. The same day the United States recognized the new Government of Corazon C. Aquino.

U.S. officials played a significant role in convincing President Marcos to step down peacefully. Messages and telephone calls from Washington officials to President Marcos and his associates urged a peaceful transition to a new government. These approaches were intended to convince him to resign without resorting to major bloodshed or a civil war. However, he attempted to retain power and did not initially accept President Reagan's offer for a safe haven in the United States. He reluctantly decided to give up the Presidency about eight hours after his inaugural ceremony at noon, February 25, when it became clear that he no longer exercised effective control over the Philippine military. At this time the majority of the Philippine Armed Forces had defected to former Defense Minister Juan Ponce Enrile and former Deputy Chief of Staff Lieutenant General Fidel V. Ramos who enjoyed the support of the vast majority of people in Manila.

The evacuation of former President Marcos, his family and associates from the Presidential Palace to Clark Air Base, Guam, and Hawaii, was aboard United States Air Force aircraft. Their accommodations and safety during the five weeks they were at Hickam Air Force Base in Hawaii were provided under the auspices of the United States Air Force. The costs of security, transportation, housing and shopping trips to base exchanges, which are department stores operatvd without taxpayer funds, were the subject of numerous phone calls and correspondence to congressional offices and committees.

On March 24, 1986, the Chairman of the House Armed Services Readiness Subcommittee directed a staff investigation be conducted into the movement of former President Marcos and his group from the Philippines to Hawaii. The purpose was to identify the full costs of this activity, to ensure all bills were paid and that taxpayer interests were protected, and to investigate complaints concerning the closing of the Officers Club and movement of military personnel from their quarters at Hickam Air Force Base to accommodate former President Marcos and his party.

EVACUATION OF FORMER PRESIDENT MARCOS AND HIS PARTY FROM THE PALACE AND THEIR MOVEMENT TO HICKAM AIR FORCE BASE

Background

The President and the National Security Council, backed by task forces at the State Department, Central Intelligence Agency, National Security Agency and Department of Defense, had been monitoring the Philippine crisis when it came to a head on the weekend of February 22-23, 1986. That President Marcos would have to step aside became clear to most observers. In view of the situation, President Reagan desired a peaceful transition.

On Sunday evening, February 23, the State Department sent a cable to U.S. Ambassador Stephen Bosworth in Manila encouraging President Marcos to peacefully step aside. The cable recognized the lack of support in the United States for the recent Philippine election and the need to avert bloodshed. It also warned that if President Marcos used force to put down the military personnel who had defected, the United States Congress would probably cut off further aid. The overriding concern was for a peaceful transition so that the Filipino people could begin addressing their severe economic problems and the increase in communist insurgency. The message said that if President Marcos stepped aside the United States was ready to "facilitate the safety and medical care of you, your family and close associates in the United States." In effect, President Reagan was offering President Marcos a safe haven in the United States or assistance in transport to a destination of his choosing.

President Reagan made known that he wanted President Marcos treated with dignity and respect because he was a Head-of-State and had been a staunch ally for several decades. Financial reimbursement for the costs incurred in moving former President Marcos and his party was not initially considered because they were guests of the President and the U.S. government. The benefits of a peaceful transition were thought to outweigh any costs that would be incurred.

When Ambassador Bosworth received the cable from the State Department, he passed its contents on to President Marcos. He also alerted Brigadier General Teddy Allen, USA, Joint U.S. Military Assistance Group, Philippines, and advised him to begin preparations for evacuating President Marcos and his party.

President Marcos was sworn in at noon on Tuesday, February 25th. Information indicated that the longer he stayed in the Palace the higher the risk that violence would occur. On Tuesday evening about 8:00 o'clock local time, President Marcos agreed to abdicate.

Departure From the Philippines

General Allen was directed by Ambassador Bosworth to evacuate President Marcos and his party from the Malacanang Palace to an undetermined location. General Allen's mission was to transport President Marcos and his party to wherever they wanted to go, ensure their safe passage, and have them treated with the dignity and respect normally provided a Head-of-State.

The initial plan was to evacuate President Marcos and his party to Clark Air Force Base and then fly to his northern home province of Ilocos Norte. Initially 30 people were included in the group, but the number swelled to 120 by the time the group left the Palace. The party consisted of:

—Former President Marcos and his wife, Imelda
—The three Marcos children and their families
—General Fabian Ver, his three sons and their families
—The Cojuangco family
—Security guards, household staff and two medical doctors.

The party was evacuated to Clark Air Force Base in two ways: 52 people, including the President and his wife, were taken by helicopter while 70 other people left the Palace by boat and then traveled overland to the air base. A number of those evacuated were guards who wanted to leave the Palace but who did not remain with President Marcos after reaching Clark.

The party arrived at Clark after sunset, making it impossible to leave for the Laoag Airport in Ilocos Norte because that airport did not have runway lights. The plan was to leave for Laoag at 10:00 the next morning, February 26th. However, after the party arrived at Clark Air Force Base, the new President, Corazon Aquino, advised Ambassador Bosworth that she wanted former President Marcos out of the Philippines.

At the time, ensuring the safety of the former President was becoming difficult. The Philippine forces responsible for security at Clark Air Force Base were split on the issue of protecting Marcos, and uncertainty grew as to whether they would do so. Consequently, General Allen housed the Marcos party in the temporary visiting quarters with tight United States Air Force security and a press blackout. General Allen was also advised that the Philippine Air Force had defected to the Aquino Government and that the crews were staying in billets next to the Marcos party. Further, intelligence sources reported that crowds were gathering outside the base.

At 2:30 in the morning, General Allen concluded that President Marcos' personal safety would be in danger by sunrise. He briefed Tom Manotoc, the former President's son-in-law, about the perceived threat and recommended that the Marcos party leave for Guam before dawn. Mrs. Marcos was briefed and she agreed. General Allen does not know if former President Marcos was told they would be going to Guam.

Soon thereafter, General Allen talked to Admiral William J. Crowe, Chairman of the Joint Chiefs of Staff, and requested permission to move the party to Guam. Admiral Crowe agreed and informed officials at Guam to prepare to receive the party and to provide tight security. He also advised the United States Pacific Command in Hawaii of the planned move.

General Allen advised the party that he would not transport firearms or permit them to loot the national treasury. Passengers, mostly security personnel, were disarmed and the weapons eventually returned to the Philippine armed forces. The only gold transported was 21 bars, weighing 1 kilogram each, that were in a briefcase with a plaque indicating it was an anniversary present. At 5:00 a.m. General Allen boarded the party on two aircraft, a C–9

and a C-141, which departed for Guam. Another C-141 aircraft, carrying former President Marcos' baggage and personal effects, left about nine hours later for Guam.

Stopover on Guam

The planes landed at Andersen Air Force Base, Guam on Wednesday morning, February 26. As at Clark Air Force Base, the safety of the party was of paramount concern. U.S. security forces took "prudent" measures to ensure the party's safety. This included continuing the press blackout and limiting access to the Naval Hospital only to personnel on official business.

After a death threat on Marcos' life was received in mid-afternoon security was increased by assigning 80 marines to the security force. Consideration was given to lifting the press blackout, but this was rejected when a bomb threat against the terminal was received before the scheduled takeoff. Rather than risk the party's safety, General Allen had the base provide press statements, still photographs and tapes of the arriving and departing ceremonies.

The party rested at Andersen Air Force Base for about 10 hours, staying in base quarters. Security personnel, a number of small children and members of the household staff had not packed many items for traveling. Mrs. Marcos did not want security personnel, about 35 in number, to land in Hawaii in combat fatigues and requested that they, and others in the party needing toilet articles and clothes, be allowed to shop in the base exchange. General Allen authorized them to shop.

Forty people visited the Andersen Air Force Base exchange after regular shopping hours. They were advised essential items only could be acquired, such as clothing and toiletries. Luxury items were excluded.

A listing of items acquired, by category, is included below. The total amounted to over $12,000 or about $300 per person. Many of these shoppers only had what they brought with them from the Palace. Security guards needed complete outfits of civilian clothes from shorts, shoes and socks, to shirts and jeans and basic toilet articles.

Tobacco products	$41.34
Food/snacks/beverage	5.85
Health and beauty aids	7,540.04
Stationery/greeting cards	6.70
Clothing/men/women/children	1,448.16
Cleaning/towels/wash cloths	1,561.84
Toys	69.05
Shoes/footwear	1,424.93
Miscellaneous	158.78
Total	12,256.69

The shoppers did not pay for these items nor did members of Marcos' party pay for the quarters they occupied. General Allen considered this allowable because former President Marcos and his party were guests of the U.S. government. Also, he thought it was easier to keep track of the expenses and figure out a means of reimbursement at a later time. When General Allen went to the palace to evacuate Mr. Marcos and his party, he had no knowledge of how many there would be or their destination. Those leaving

had little notice of their departure and therefore did not take with them sufficient clothing for an extended stay.

On March 7 the Anderson Air Force Base comptroller submitted a bill for the exchange purchases, billeting costs of $361.00, and food and beverages costing $709.41 to the Accounting and Finance Office at Hickam Air Force Base. The Pacific Command reimbursed the exchange for $12,256.69 in purchases and the club and billeting office for $1,070 in expenses.

While on Guam, former President Marcos agreed to move to Hawaii. The party left Guam in two C–141's late in the evening of Wednesday, February 26. Three hours into the flight a threat of a bomb on the aircraft was received. General Allen chose to ignore the threat because the aircraft had been under close security while on Andersen Air Force Base. The party arrived at Hickam Air Force Base on Wednesday morning, February 26, (when they crossed the international date line they gained 24 hours, or one day). Upon arrival in Hawaii, two members of the party stayed on the plane and returned to Manila.

The Stay at Hickam Air Force Base

During the evening of February 25, 1986, Hickam Air Force Base officials received notice that former President Marcos and his party would arrive early in the morning on February 26, 1986. Colonel Wayne Clark, Commander, 15th Air Base Wing, called a meeting of the Contingency Support Team to initiate planning for the security, transportation, housing and feeding of the party for a 72-hour period. Planning was conducted assuming that the Marcos party would be moved from Hickam Air Force Base within three days of their arrival. However, former President Marcos did not leave until March 24 and some of his party remained on base until March 29, 1986. Security police guarded baggage and personal effects of former President Marcos until April 4 when it was turned over to Bureau of Customs.

SECURITY

The primary concern of Air Force officials during the early part of the Marcos' stay on Hickam Air Force Base was that he would be the target of an assassination attempt. As a result, enhanced security was provided by increasing surveillance of incoming vehicles to preclude entrance of unauthorized personnel and by isolating former President Marcos and his party on a small part of the base that was guarded by military police. In addition, President Marcos was protected by Secret Service agents and his personal bodyguards, who were unarmed; the Coast Guard provided security from the Pearl Harbor Channel.

The 15th Security Police Squadron was responsible for providing Air Force security to former President Marcos and his party while they were on Hickam Air Force Base. Tasks performed included, runway, taxiway, ramp, and aircraft security, roof-top surveillance, traffic, parking and crowd control, escorts for motorcades, bomb dog team sweeps, and occupying guard posts on a security perimeter. On March 4, 1986, after realizing that the additional security would continue for an undetermined time, 40 U.S. Marine person-

nel from the Marine Corps Barracks, Pearl Harbor and Kaneohe, and 40 Army personnel from the 25th Military Police Company, 25th Infantry Division, Schofield Barracks, augmented Air Force security forces. On March 15, 1986, Marine and Army personnel were replaced by members of the 141st Security Police Squadron, Air National Guard, Fairchild Air Force Base, Washington, who arrived at Hickam Air Force Base for their scheduled active duty training.

No serious security incidents occurred during Marcos' stay on the base. The most worrisome incident was a telephone call indicating that a bomb had been planted in the Officers Club, but after a thorough search by bomb dogs and military personnel none was found.

The number of people in Marcos' party housed on Hickam Air Force Base declined as they decided to move off the base. This, in conjunction with the conclusion that the "threat" to former President Marcos was not as serious as originally anticipated, resulted in a reduction in the manpower providing security. For example, on February 27, 82 Air Force personnel expended 1066 hours providing security; by March 23 this was reduced to 28 personnel working 364 hours. In summary, the 15th Security Police Squadron provided 27,261 man-hours of security to former President Marcos and his party between February 25 and April 4, 1986 at a cost (in terms of military pay and allowances) of $339,194.76. In addition, Marine Corps and Army security personnel provided 6,480 man-hours of security between March 4 and March 24, 1986 at a cost of $68,409.36.

HOUSING

The Commander of the 15th Service Squadron at Hickam Air Force Base is responsible for billeting. He was advised by the Hickam Base Commander about 8:00 p.m. on Tuesday, February 25th, that former President Marcos and 88 other persons would be arriving at about 10:00 the following morning and that they were to be provided quarters on Hickam Air Force Base.

The Visting Officer's Quarters adjacent to the Officers Club had been selected for housing President Marcos and his party. Late in the evening on February 25, occupants were notified that they would be required to vacate their quarters by 6:30 a.m. the following morning.

Occupants were moved to other available quarters on the base, placed in commercial hotels, or returned to their home installation or duty station. The required quarters were vacated by 8:00 a.m., Wednesday, February 26, cleaned, and available for occupancy when the Marcos party arrived. Eighty-nine guests registered initially, but this number declined by a few a day—on February 27, 87 guests, on March 1, 85 guests, etc.—until on March 14 there were 43 guests and on March 25 only eight.

Housing officials were unaware of any significant problems that arose as a result of requiring the military personnel to move. The quarters affected were transient quarters, all but six occupants were unaccompanied, and 30 occupants were aircraft crew mem-

bers. In addition, 42 occupants had completed or almost completed their business and returned to their home station that day.

Discussions were held with six military personnel stationed in the Washington, D.C. area who had been required to vacate their quarters at Hickam Air Force Base because of the arrival of the Marcos party. Personnel that were in their rooms Tuesday evening, February 25, were contacted by a military representative from the billeting office and told they would have to vacate their quarters by 6:30 the following morning because of a classified exercise. One guest returned about 11:00 p.m. and found a letter on the bed saying that "By order of the Base Commander guests had to vacate the quarters by 6:30 a.m." The persons contacted said they were unhappy they had to move and said it was inconvenient. The billeting office was crowded and congested because everyone was attempting to check out at the same time. In summary, however, no major problems were identified and the persons contacted said they were unaware of any problems or unpleasantness that occurred.

The Hickam Billeting Fund requested and received reimbursement for revenues lost and services provided while former President Marcos and his party used these facilities. The expenses submitted totaled $65,879 and consisted of the following:

Description	*Amount*
Room charges	$16,020
Loss of revenue for rooms blocked and unused for security reasons	11,770
Additional payroll expense	6,922
Supplies (diapers, shampoos, etc.) food and beverage	7,813
Long distance phone charges	19,971
Repairs and miscellaneous charges	2,383
Future State Department support	1,000
Total	65,879

OFFICERS CLUB

The Hickam Air Force Base Officers Open Mess was used as the food service facility for President Marcos and his party. Its rooms were also used for meetings, administrative purposes and church services.

The club was closed to its membership for security purposes from February 26 to March 17, 1986, a 20-day period. It was reopened to the membership on March 18 with certain areas remaining restricted to provide security for President Marcos and the remaining members of his party, a total of about 40 at that time.

The closing of the Officers Club resulted in complaints from employees and members. The club had 110 employees but only 25 or 30 could work while it was restricted to the Marcos party. The possibility of losing their jobs and paychecks without any prior notice for an unknown period caused significant concern for between 80 and 85 employees, primarily cooks, waitresses, cashiers, etc. At least three expressed their fears on local television and the complaints of others were carried by the local press.

The situation was corrected to a large extent when arrangements were made to reimburse the club for expenses incurred during the time it was closed. The basis of reimbursement was average daily operating costs (computed using fiscal 1986 total operating costs to date, October 1, 1985 through January 31, 1986—123 days), less en-

tertainment expenses and reimbursements, divided by 123. This amounted to $2,903.70 per day, or $58,074 for the 20 days the club was closed. Using this method as a basis for reimbursement allowed those employees who did not work to be paid for their basic work week while the club was closed. Even under this arrangement, however, some employees were disadvantaged financially because no allowance was made for tips or overtime.

A number of telephone calls and several letters were received by the club manager from members complaining about the closing of the club. Most were made after it had been shut down for about a week.

Because of these complaints, members were reimbursed for the period of time club facilities were not available to them. Membership dues are $12 per month of $.40 per day. The club was closed for 20 days and each member was reimbursed $8.00. The reimbursement to the 2,175 members totaled $17,400.

The club was also reimbursed $15,649 for meals provided to the Marcos party during its stay at Hickam. During the 20-day period when the club was closed and overhead costs recovered, meals were served at cost. When the club was opened meals were served at the normal price.

The costs billed and reimbursed to the Hickam Air Force Base Officers Club as a result of the visit by former President Marcos and his party are as follows:

Overhead costs	$65,004
Cost of goods (2/26–3/17)	11,753
Sales (3/18–3/25)	3,896
Reimbursement of membership dues	17,400
Additional labor needed to support Marcos' party in separate dining room (3/19–3/25)	2,171
Total	100,224

HICKAM AIR FORCE BASE EXCHANGE

Two visits were made by members of the Marcos party to the base exchange. Both groups were told they could replenish personal necessities and household items that were left behind during their evacuation. They were instructed that no luxury items such as jewelry, cameras, watches, audio equipment, etc. could be acquired.

The first visit to the exchange was on February 28 and was authorized by General Allen, the Escort Officer. Merchandise totaling $15,270 was taken by 44 persons or $347 per person.

The visit on March 4 was authorized by Mr. Robert Rich, a State Department official and the Senior U.S. Coordinator on the Scene at the Pacific Command. Mr. Rich said he permitted this visit to eliminate a morale problem that was developing because staff persons, maids, and cooks, were unable to make the first visit on February 28. Prior to the visit, Mr. Rich said Air Force personnel were advised that each person should be limited to $150 in purchases.

On the second visit, 14 persons acquired $11,575 worth of merchandise, an average of $827 per person, substantially more than planned. The guidance given by Mr. Rich was not communicated to the military officers that escorted this group or to exchange personnel.

The items acquired during these two visits to the exchange are summarized in the following table:

SUMMARY OF PURCHASES AT HICKAM AIR FORCE BASE MAIN EXCHANGE

Category	Feb. 28, 1986 Amount	Mar. 4, 1986 Amount	Total
Tobacco—cigarettes	$80.56	$104.90	$185.46
Food—candy; crackers	25.16	169.56	194.72
Health and beauty aids—soap, toothpaste; rollers	1,037.91	1,977.83	3,015.74
Cosmetic and fragrances—makeup; cologne	567.37	62.50	629.87
Jewelry—billfolds; clocks; leather gouds	59.20	0	59.20
Jewelry—earrings	4.00	0	4.00
Stationery—magazines; books; notebook	264.97	29.17	294.14
Men's wear—jackets; trousers; suits; shirts	2,603.43	1,991.40	4,594.83
Men's furnishings—socks; belts; underwear; sleepwear	2,612.23	954.10	3,566.33
Women's wear—dresses; slacks; skirts; blouses	2,992.04	3,896.55	6,888.59
Women's furnishings—lingerie; sleepwear; hosiery; underwear	882.64	554.77	1,437.41
Boyswear—pants; shirts; shorts; underwear	192.41	35.47	227.88
Girlswear—dresses; slacks; underwear	372.40	194.66	567.06
Infants/toddlerswears	124.83	100.97	225.80
Shoes	743.26	385.45	1,128.71
Linens and domestic—towels	460.08	146.86	606.94
Sewing-ribbons	13.50	43.62	57.12
Household—laundry cleaners	4.15	0	4.15
Household—hair dryers; electric razors	112.80	204.04	316.84
Hardware—flashlights; batteries	74.09	19.60	93.69
Luggage	1,394.25	398.45	1,792.70
Film	7.65	22.95	30.60
Miscellaneous	639.97	282.44	922.41
Total	15,268.90	11,575.29	26,844.19

Bills for the merchandise acquired during the two visits to the exchange were submitted to the Hickam Base Comptroller on March 3 and 5. Reimbursement for all the merchandise acquired by the Marcos party was received by the exchange on March 12.

The extended stay at Hickam AFB could not have been anticipated. Our government attempted to find safe haven for the Marcoses first in Panama, then in Costa Rica. When these negotiations fell through, it was necessary to house the Marcoses for a longer period of time than anyone could have anticipated in accordance with the original instructions from the President.

SUPPORT COSTS RELATED TO RELOCATION OF FORMER PRESIDENT MARCOS AND HIS PARTY

The subcommittee identified about $451,000 in support costs that were related to the movement of former President Marcos and his party from Manila to Hawaii and their five-week stay on Hickam Air Force Base. These costs are summarized as follows:

Air Lift	$183,539
Appropriated Funds	60,375
Nonappropriated Funds	206,899
Total	450,813

In addition to the out-of-pocket costs, military personnel at Hickam Air Force Base provided 33,741 man-hours of security to former President Marcos and his party during their five-week stay

on Hickam Air Force Base valued at $407,604. Security was also provided at Clark and Andersen Air Force Bases, but the total man-hours devoted to performing this function at these locations were not available.

With regard to the costs of using military personnel, note should be taken that the expense for the pay and allowances of these personnel would have been incurred even if former President Marcos never came to Hawaii. Until Army and Marine Corps personnel arrived on March 4, Air Force security personnel worked 12-hour rather than 8-hour shifts, in order to permit them to provide security to former President Marcos and to perform their normal duties as well. The costs accumulated reflect the hours devoted to providing security multiplied by hourly rates for the various ranks of personnel utilized.

The air lift costs of $183,539 were developed by the Military Air Command using hourly rates and actual flying hours for each of the aircraft used. In summary, the movement for former President Marcos and his party required the use of three helicopters and a C–130E at Clark Air Force Base, a C–9A and two C–141's from Clark to Guam, and two C–141's from Guam to Hickam Air Force Base.

The appropriated funds used at Hickam Air Force Base were operation and maintenance funds and consisted of the following:

Communications (secure phones, telegrams)	$1,769
Ground transportation (leasing of two vans and seven sedans)	4,535
Supplies (gasoline, portable lights)	7,147
Civil engineering (construction of guard shacks, fences, etc.)	1,127
Civilian overtime pay	3,909
Dental and Medical care	410
Costs of lodging personnel in commercial quarters that were moved from their quarters	40,756
Total	59,653

In addition, there is a contingent liability of $33,300 on a construction contract that could be invoked because the security perimeter prevented the contractor from working. However, the contractor has not yet filed a claim.

Operation and maintenance costs incurred at Clark Air Force Base totaled $722 and consisted of $100 for car rental, $20 for packing materials and $602 for meals served in the dining hall.

Nonappropriated fund costs included the following:

Exchange purchases:	
Andersen Air Force Base	$12,257
Hickam Air Force Base	26,844
Subtotal	39,101
Billeting:	
Clark Air Force Base	378
Andersen Air Force Base	361
Hickam Air Force Base	65,879
Subtotal	66,618
Clubs:	
Clark Air Force Base	247
Andersen Air Force Base	709

Hickam Air Force Base	100,224
Subtotal	101,180
Total	206,899

On March 5, 1986, the Commander-in-Chief, United States Pacific Command, provided $200,000 in operation and maintenance funds to the 15th Air Base Wing at Hickam Air Force Base for reimbursing nonappropriated fund activities for expenses incurred supporting former President Marcos. By the middle of April 1986, bills totaling $196,018 had been submitted and reimbursement made. These actions left a balance of $3,982 to pay $10,881 in expenses, including $1,347 in expenses incurred at Clark Air Force Base that had not been submitted to the Pacific Command.

In early April, the Commander-in-Chief, Pacific Command, submitted bills totaling $771,307 to the State Department through the Office of the Secretary of Defense, broken down as follows:

Air lift	$183,539
Military personnel	339,195
Appropriated funds	46,710
Nonappropriated funds	201,863
Total	771,307

Officials of the Pacific Command said they expect reimbursement from either the State Department or the Chief of Naval Operations. If not reimbursed, the Pacific Command and the Military Airlift Command will have to reduce their fiscal year 1986 operation and maintenance budgets by $249,000 and $184,000, respectively.

State Department officials said these costs have been sent to the White House for final adjudication.

The difference of $87,110 between the costs of $858,417 identified by the committee and $771,307 submitted by the Pacific Command for reimbursement consists of the following:

—Cost of $68,409 for Army and Marine security personnel used at Hickam Air Force Base;

—Expenses totaling $1,347 incurred by Clark Air Force Base, consisting of $722 in operation and maintenance costs, $378 in billeting costs, and $247 in club costs, that were not submitted to the United States Pacific Command;

—Costs of $11,354 in off-base housing costs that will be charged to the travelers home installations, and

—An additional $6,000 in long distance phone calls.

CONCLUSIONS AND RECOMMENDATIONS

President Reagan invited Mr. Marcos, his family and associates to the United States, offered them safety and medical care, and a safe haven in the United States. This offer was made to avoid bloodshed and assure a peaceful transition of power to the new government in the Philippines. The successful evacuation of the former President and his party from the Presidential Palace in Manila to Clark Air Force Base, and their eventual movement to Hawaii, accomplished these goals. Brigadier General Teddy Allen, USA, the officer in charge of the evacuation and movement of

former President Marcos and his party from Manila to Hawaii should be commended for exemplary performance in a critical situation involving rapidly moving events.

It should be noted that we have never had a totally comparable situation. However, it has been the general practice that when the head of our government invited a foreign head of state or dignitary who was housed in Blair House, our government paid normal expenses for their stay. Personal expenses were collected from the embassy of the country from which the visitor came (an option not available in this instance). When guests were required to stay at commercial hotels, a somewhat similar policy was followed. For example room, board, and expenses associated with the visit such as porters, laundry, etc. were paid by our government. The visitor was expected to pay other expenses.

The cost of moving former President Marcos and his party and their five-week stay on Hickam Air Force Base was $451,000, broken down as follows:

Air lift (Military Air Command)	$183,539
Appropriated funds (Operation and Maintenance)	60,375
Nonappropriated funds	206,899
Total	$450,813

In addition to the out-of-pocket costs, military personnel provided security valued at $407,604. These salaries would have been paid under normal circumstances.

The message from the State Department asking President Marcos to step aside was a political rather than a military initiative. Once accepted, United States military forces became the vehicle for carrying out the evacuation and movement of former President Marcos and his party. It is the committee's view, therefore, that the State Department should be responsible for paying $184,000 in transportation costs and $60,000 in operation and maintenance costs that are related to security, ground transportation, medical care and related matters.

Expenses totaling $207,000 were paid for the convenience and acquisition of personal items for Marcos' party. This includes $207,000 in nonappropriated fund expenses accumulated at exchanges, clubs and housing facilities.

President Reagan offered safety and medical care to former President Marcos, his family and associates. He did not offer housing, meals, clothing and other personal conveniences. Reasonable amounts would be acceptable in support of the former President because he was a guest of the President.

The expenses accumulated, however, are excessive and include $20,000 in long-distance phone calls, $16,000 in meals, and $11,000 in health and beauty aids. The subcommittee believes reimbursement for these expenses should be made by Mr. Marcos and the State Department should act as the collecting authority.

The Commander-in-Chief, United States Pacific Command, submitted bills totaling $771,000 to the State Department, $87,000 less than was identified by the committee. The difference is related to security ($68,000), off-base quarters ($11,900), long-distance phone calls ($6,000), and expenses incurred by Clark Air Force Base that were not submitted to the Pacific Command ($1,300). The subcom-

mittee believes bills for these expenses should be prepared and submitted to the State Department for reimbursement.

The Commander-in-Chief, Pacific Command, allocated $200,000 from his Operation & Maintenance account to the Pacific Air Force for reimbursement of expenses incurred by nonappropriated fund activities, on-base activities including clubs and exchanges that basically operate without taxpayer support. Bills totaling $196,000 have been reimbursed. An additional $11,000 in expenses has been incurred but only $4,000 more is available for payment. The subcommittee believes an additional $7,000 should be made available by the Commander-in-Chief Pacific Command to reimburse these expenses.

Extraordinary security precautions were taken throughout the trip and at Hickam Air Force Base to protect the former President and his party. The implementation of these measures resulted in complaints from the press on Guam and employees and members of the Hickam Air Force Base Officers Club.

In addition, occupants of the visiting officers quarters on Hickam Air Force Base were inconvenienced because they were required to move on a few hours' notice to other quarters on base or in commercial hotels. While these security measures caused some inconvenience and some hardship, the subcommittee believes the precautions taken were appropriate.

Recommendations

In view of the above, the subcommittee recommends that:

1. The Secretary of Defense advise the Secretary of State that the Defense Department expects reimbursement for transportation and operation and maintenance costs totaling $244,000.
2. The Secretary of Defense and the Secretary of State, working jointly, make every effort to recover from former President Marcos $207,000 in costs for personal and convenience items acquired by members of his party. The committee cannot overemphasize its desire that these funds be recovered.
3. The Commander-in-Chief, United States Pacific Command, assure that subordinate installations and activities prepare bills supporting all expenses incurred by former President Marcos and his party, and submit these bills to the State Department, and
4. The Commander-in-Chief, United States Pacific Command, provide an additional $7,000 to the Pacific Air Force in order that nonappropriated fund activities can be reimbursed for all expenses incurred.

SCOPE OF INVESTIGATION

Events related to the evacuation and subsequent movement of former President Marcos and his party unfolded very quickly once President Marcos made the decision to leave Manila. As a result, according to Defense and State Department officials, documentation supporting decisions made during the trip, including message traffic, do not exist. Officials from the State Department and Defense Department, including Army Brigadier General Teddy Allen, the Escort Officer responsible for the evacuation from Manila and movement of former President Marcos and his party to Hawaii, ad-

vised the committee investigators that situation reports and guidance were transmitted by secure phones. In response to a specific question, General Allen told the committee investigators that he communicated in this manner with Ambassador Bosworth in Manila; Pacific Command officials in Hawaii; Admiral William J. Crowe, Chairman, Joint Chiefs of Staff; and Caspar W. Weinberger, Secretary of Defense in Washington, D.C.

Reports describing the events that occurred were prepared by various participants. General Allen drafted a report and submitted it to Ambassador Bosworth describing in detail his involvement. Robert Rich, the State Department representative in Hawaii, prepared a report that included recommendations to improve future operations of a similar nature. Although these reports were requested from the State Department by the committee investigators none were made available by the time the investigation was completed on May 9, 1986.

During the investigation the following officials were interviewed: Lieutenant General John H. Moellering, USA, Assistant to the Chairman, Colonel John D. Buckelew, USMC, Chairmans Staff Group, Joint Chiefs of Staff; Minister Robert Rich, former Deputy Chief of Mission to Manila and Senior U.S. Coordinator on the Scene at United States Pacific Command; Brigadier General Teddy D. Allen, USA, Chief, Joint United States Military Assistance Group, Philippines; John Finney, Deputy Director, Philippine Desk; Patrick Norton, Assistant Legal Advisor, East Asian and Pacific Affairs, Department of State, Washington, D.C.; Mr. Al Lynn, Public and Governmental Affairs, Captain Edward D. Sturnbaugh, USN, Staff Judge Advocate, Captain A.E. Boardman, USN, Comptroller, Captain Al Becker, USN, Deputy Public Affairs Officer, Lieutenant Colonel George Rush, AF, Deputy Foreign Policy Advisor, United States Pacific Command.

Also, Major General Michael P.C. Carns, Deputy Chief of Staff for Operations and Intelligence, Colonel Robert Bartlett, Chief of Staff, Colonel James P. Hadley, Comptroller, Pacific Air Forces, Hickam Air Force Base; Colonel Wayne E. Clark, Commander, Lieutenant Colonel L.S. Garner, Comptroller, Lieutenant Colonel Pat Demeroth, Commander, Service Squadron, Major Thomas E. Gates, Commander, Security Police Squadron, Captain Todd Holmes, Accounting and Finance Officer, E.S. Helmick, Installation Club Manager, Ms. L.B. Manke, Chief, Nonappropriated Fund Financial Management, 15th Air Base Wing, Hickam Air Force Base; Colonel James Bock, USA, Deputy Commander, Pacific Region, Army and Air Force Exchange Service (AAFES), Honolulu, Hawaii; Mr. Albert Ferguson, Exchange Manager, and Ms. N.M. Murin, Manager, AAFES, Hickam Air Force Base, Hawaii.

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